United States Environmental Protection Agency
Region 8
Air Program
1595 Wynkoop Street
Denver, Colorado 80202

AIR POLLUTION CONTROL
TITLE V PERMIT TO OPERATE

In accordance with the provisions of title V of the Clean Air Act and 40 CFR part 71 and applicable rules and regulations,

Samson Resources
Jaques Compressor Station

is authorized to operate air emission units and to conduct other air pollutant emitting activities in accordance with the permit conditions listed in this permit.

This source is authorized to operate at the following location:

Southern Ute Indian Reservation
Section 26, T33N, R8W
La Plata County, Colorado.

Terms not otherwise defined in this permit have the meaning assigned to them in the referenced regulations. All terms and conditions of the permit are enforceable by EPA and citizens under the Clean Air Act.

Callie A. Videtich, Director
Air Program
US EPA Region 8

3/5/09
Date

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AIR POLLUTION CONTROL
TITLE V PERMIT TO OPERATE
Samson Resources
Jaques Compressor Station

Permit Number: V-SU-0043-06.02
Replaces Permit No.: V-SU-0043-06.01

Issue Date: March 5, 2009
Effective Date: March 15, 2009
Expiration Date: April 27, 2012

The permit number cited above should be referenced in future correspondence regarding this facility.

Permit Revision History

DATE OF REVISION	TYPE OF REVISION	SECTION NUMBER AND TITLE	DESCRIPTION OF REVISION
April 2007	Initial Permit Issued		**Permit # V-SU-0043-06.00**
July 2008	Significant Modification	I.B. Source Emission Points/Table 1	**Permit # V-SU-0043-06.01** Added new dehydrator, D2. Added controls to dehydrator, D1. Updated serial numbers for newly installed engines.
		I.B. Source Emission Points/Table 2	Updated insignificant emission units list.
		II - Specific Requirements for Engines	Clarified the temperature and pressure parameters in Section II.B.
		Add Section III – Specific Requirements for Glycol Dehydrators	Established benzene emission limits for two dehydrators and incorporated enforceable restrictions for a facility-wide hazardous air pollutant (HAP) cap.
		Renumber existing Section III - Facility -Wide Requirements to Section IV - Facility-wide Requirements	Incorporated new alternative operating scenario language at IV.D.
		Renumber existing Section IV - Part 71 Administrative Requirements to Section V - Part 71 Administrative Requirements	Updated the Off Permit provisions at V.Q.
		Renumber existing Section V - Appendix to Section VI - Appendix	

DATE OF REVISION	TYPE OF REVISION	SECTION NUMBER AND TITLE	DESCRIPTION OF REVISION
March 2009	Significant Modification	I.B. Source Emission Points/Table 1	**Permit # V-SU-0043-06.02** Added new backup dehydrator, D3, with JATCO condenser/combustor controls. Revised BTEX controls on dehydrators D1 and D2 from JACTO condenser/combustor controls to PESCO Flare Stack controllers.
		III – Specific Requirements for Glycol Dehydrators	Revised Work Practice and Operational Requirements to include two distinct operating scenarios (A and B) to account for as-needed use of the backup dehydrator, D3, and to require that only two of the three permitted dehydrators may operate at any given time. Revised the monitoring, recordkeeping, and reporting requirements as appropriate to verify compliance with the revisions.

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Abbreviations and Acronyms

AR	Acid Rain
ARP	Acid Rain Program
bbls	Barrels
BACT	Best Available Control Technology
CAA	Clean Air Act [42 U.S.C. Section 7401 et seq.]
CAM	Compliance Assurance Monitoring
CEMS	Continuous Emission Monitoring System
CFR	Code of Federal Regulations
CMS	Continuous Monitoring System (includes COMS, CEMS and diluent monitoring)
COMS	Continuous Opacity Monitoring System
CO	Carbon Monoxide
CO_2	Carbon Dioxide
DAHS	Data Acquisition and Handling System
dscf	Dry standard cubic foot
dscm	Dry standard cubic meter
EIP	Economic Incentives Programs
EPA	Environmental Protection Agency
FGD	Flue gas desulfurization
gal	Gallon
gpm	Gallons per minute
H_2S	Hydrogen sulfide
HAP	Hazardous Air Pollutant
hr	Hour
ID	Identification Number
kg	Kilogram
lb	Pound
MACT	Maximum Achievable Control Technology
MVAC	Motor Vehicle Air Conditioner
Mg	Megagram
MMBtu	Million British thermal units
MMscfd	Million standard cubic feet per day
mo	Month
NESHAP	National Emission Standards for Hazardous Air Pollutants
NMHC	Non-Methane Hydrocarbons
NOx	Nitrogen Oxides
NSPS	New Source Performance Standard
NSR	New Source Review
pH	Negative logarithm of effective hydrogen ion concentration (acidity)
PM	Particulate Matter
PM_{10}	Particulate matter less than 10 microns in diameter
ppm	Parts per million
PSD	Prevention of Significant Deterioration
PTE	Potential to Emit
psi	Pounds per square inch
psia	Pounds per square inch absolute
RICE	Reciprocating Internal Combustion Engine
RMP	Risk Management Plan
scfm	Standard cubic feet per minute
SNAP	Significant New Alternatives Program
SO_2	Sulfur Dioxide
tpy	Tons per year
US EPA	United States Environmental Protection Agency
VOC	Volatile Organic Compounds

List of Tables

I. Source Information and Emission Unit Identification

I.A. Source Information

Parent Company Name: Samson Resources

Plant Name: Jaques Compressor Station

Plant Location: Section 26, T33N, R8W
Lat. 37° 4' 40.6000" N, Long -107° 41' 27.6000" W

Region: 8

State: Colorado

County: La Plata

Reservation: Southern Ute Indian Reservation

Tribe: Southern Ute Indian Tribe

Responsible Official: Attorney-in-Fact

SIC Code: 1311 – Natural Gas Production

AFS Plant Identification Number: 0806700365

Other Clean Air Act Permits: There are no other Federal Clean Air Act Permits (CAA), such as minor NSR or PSD.

Description of Operations: The Jaques Compressor Station is a facility that dehydrates and compresses inlet coal-bed methane gas gathered from several wells to transmission pipeline specifications. Gas entering the facility from the field is first fed to an inlet separator that gravimetrically removes water that may have formed during transportation from the supplying gas wells. Separator overhead gas is fed to one of up to six compressor engines from a common suction header. The compressors discharge gas to a common discharge header that feeds to two dehydration units operating in parallel. Tri-ethylene glycol is circulated counter-currently and absorbs water from the saturated gas. Rich glycol is circulated to a re-boiler, where moisture is driven to the atmosphere by heating the glycol. Dry gas exits the contactor and is directed to the sales line, where it is metered and exits the facility. The gas throughput of the facility is approximately 48 mmscfd with six compressor engines operating.

I.B. Source Emission Points

Table 1 - Emission Units
Samson Resources Jaques Compressor Station

Emission Unit ID	Description	Control Equipment
	Two Waukesha L5794LT Lean Burn Compressor Engines, 1400 site rated hp, natural gas fired:	
E1	Serial No. C-14536/1 Manufactured 4/2005 Installed 4/2005	None
E2	Serial No. C-17235/1 Manufactured 1/2007 Installed 8/30/2007	
	Four Waukesha L5794LT Lean Burn Compressor Engines, 1400 site rated hp, natural gas fired:	
E3	Serial No. C-15810/1 Manufactured 8/2005 Installed 12/9/2005	Oxidation Catalyst
E4	Serial No. C-15809/1 Manufactured 8/2005 Installed 12/9/2005	
E5	Serial No. C-15866/1 Manufactured 4/2006 Installed 6/28/2007	
E6	Serial No. C-15965/1 Manufactured 3/2006 Installed 2/1/2008	
	18 MMscfd PESCO Dehydration Unit glycol regenerator & 0.375 MMBtu/hr natural gas-fired reboiler burner (Operating Scenario A or B):	PESCO Flare Stack
D1	Serial No. 101727 Installed 2003	
	30 MMscfd NATCO Dehydration Unit Glycol Regenerator & 1.25 MMBtu/hr natural gas-fired reboiler burner (Operating Scenario A or B):	PESCO Flare Stack
D2	Serial No. T-1A8780101 Installed TBD 2009	
	18 MMscfd Western Dehydration Unit Glycol Regenerator & 0.375 MMBtu/hr natural gas-fired reboiler burner (Operating Scenario B only):	JATCO Condenser/Combustor
D3	Serial No. 91-665-01 Installed TBD 2009	

Table 2 - Insignificant Emission Units (IEUs)
Samson Resources Jaques Compressor Station

Emission Unit ID	Description
IEU1	6 – 500 gallon lubricating oil storage tanks
IEU2	6 – 300 gallon used oil storage tanks
IEU3	3 – 500 gallon ethylene glycol storage tanks
IEU4	10 – 500 bbl produced water storage tanks
IEU5	2 – 500 bbl slop tanks
IEU6	2 – 100 gallon rum drums for methanol storage
IEU7	2 – 0.60 mmBtu/hr natural gas fired regenerator burners
IEU8	11 – 0.12 mmBtu/hr natural gas fired tank heaters
IEU9	1 – 84 hp Ford 460, 6 cylinder pump engine (Pre-NSPS JJJJ, manufactured pre-1996)
IEU10	1 – 300 gallon TEG storage tank
IEU11	1 – 500 gallon TEG storage tank
IEU12	1 – 21 hp Ford 4 cylinder engine (Pre-NSPS JJJJ, maufactured 1995)
IEU13	2 – 0.125 MMBtu/hr burners on the slug catchers
IEU14	1 - 13 hp Arrow pumping unit engine (Pre-NSPS JJJJ, manufactured pre-1980)
IEU15	1 – 0.5 MMBtu/hr burner for the production unit

II. Specific Requirements for Engines

Certain requirements in Section II of this permit have been created, at the permittee's request, to limit the PTE of formaldehyde (CH_2O). Specifically, Sections II.A, II.B, II.C, II.D, II.E, II.F.

[CAA 304(f)(4), 40 CFR 71.6(b) and 71.7(e)(1)(i)(A)(4)(i)]

II.A. Emission Limits

1. Facility-wide CH_2O emissions shall not exceed 9.5 tons during any consecutive 12 months. Compliance with the annual limits shall be determined on a rolling 12-month total.

II.B. Work Practice and Operational Requirements

1. Units E3, E4, E5, and E6, Waukesha L5794LT reciprocating natural gas compressor engines each having a site rating of 1,400 brake horsepower (bhp), shall be equipped with oxidation catalyst control systems capable of reducing uncontrolled CH_2O emissions by at least 60% at maximum operating rate (90% to 110% of engine capacity at site elevation).

2. The permittee shall follow, for each engine and each oxidation catalyst, the manufacturer's recommended maintenance schedule and procedures to ensure optimum performance of each engine and catalyst.

3. The permittee shall install temperature sensing devices before the catalyst for units E3, E4, E5, and E6 in order to continuously monitor the inlet temperature of the catalyst for each engine. Each temperature-sensing device shall be accurate to within plus or minus 3° F.

4. The engine exhaust temperature at the inlet to each catalyst shall be maintained at all times the engines (E3, E4, E5, and E6) operate at no less than 450°F and no more than 1,350°F in accordance with manufacturer's specifications.

5. If the catalyst inlet temperature on an engine deviates from the acceptable range listed for each engine in Section II.B.4. above, then the following actions shall be taken:

   (a) Immediately upon determining a deviation of the catalyst inlet temperature, corrective action shall be taken on that engine to assess performance problems and/or tuning issues and the catalyst shall be inspected for possible damage and problems affecting catalyst effectiveness (including, but not limited to, plugging, fouling, destruction, or poisoning of the catalyst).

   (b) If the problem can be corrected by following the engine and/or the catalyst manufacturer's recommended procedures, then the permittee shall correct the problem within 24 hours of inspecting the engine and catalyst.

   (c) If the problem cannot be corrected using the manufacturer's recommended procedures, then the affected engine shall cease operating immediately and shall not be returned to routine service until the catalyst inlet temperature is measured

and found to be within the acceptable temperature range for that engine. The permittee shall also notify EPA in writing of the problem within 15 working days of observing the problem and include in the notification the cause of the problem and a corrective action plan that outlines the steps and timeframe for bringing the inlet temperature range into compliance. (The corrective action may include removal and cleaning of the catalyst according to the manufacturer's methods or replacement of the catalyst.)

6. The permittee shall install gauges before and after the catalyst for E3, E4, E5, and E6 in order to continuously monitor pressure drop across the catalyst. The pressure sensing devices shall be accurate to within plus or minus five-tenths (0.5) inches of water.

7. The pressure drop across the catalyst for units E3, E4, E5, and E6 shall not deviate by more than 2 inches of water at maximum operating rate (90% to 110% of engine capacity at site elevation) from the baseline pressure drop across the catalyst measured during the latest performance test as required by Section II.C.5.(d).

   A pressure drop which exceeds the pressure drop range for an engine or replacement engine as indicated above shall be considered indicative of catalyst fouling or break through and the catalyst shall be inspected and cleaned or replaced, if necessary.

8. The permittee's completion of any or all of the actions prescribed by Sections II.B.5.(a) through (c) and II.B.7. of this permit shall not constitute, nor qualify as, an exemption from CH_2O emission limits in this permit.

9. All emission units at the Jaques Compressor Station shall be fired only with natural gas. The natural gas shall be pipeline-quality in all respects except that CO_2 concentrations in the gas shall not be required to be within pipeline-quality.

[Explanatory Note: The purpose of permit Section 9, above, is to ensure that there are no contaminants in the fuel that might foul the catalyst. In general, pipeline-quality natural gas is (1) within ± 5% of the heating value of pure methane, or 1,010 Btu/per cubic foot under standard atmospheric conditions, and (2) free of water and toxic or corrosive contaminants. However, CO_2 is not a potential foulant of the catalyst and has therefore been excluded from the requirement.]

II.C. <u>Testing Requirements</u> [40 CFR 71.6(a)(3)(i)(A) through (C)]

1. An initial reference method performance test shall be conducted for engine units E1, E2, E3, E4, E5, and E6 for measuring CH_2O emissions from the engines to demonstrate compliance with the emission reductions requirements Section II.B. for E3, E4, E5, and E6 and compliance with the facility-wide CH_2O emissions cap in Section II.A. The performance test shall be conducted within 90 calendar days of permit issuance for all currently installed engines, within 90 calendar days of engine installation for units E3 and E4, and within 90 calendar days of any engine replacement performed in accordance with the Alternative Operating Scenario condition of this permit (Section V.Q.).

2. Upon change out of the catalyst for engine units E3, E4, E5, and E6, a performance test shall be conducted for measuring CH_2O emissions from the engines to demonstrate compliance with the emission reductions required in Section II.B and re-establish temperature and pressure baselines. The performance test shall be conducted within 90 calendar days of the date of the catalyst change out.

3. Performance tests shall be conducted for all replacement engines to measure CH_2O emissions from the replacement engines to demonstrate compliance with the facility-wide CH_2O emission limit in Section II.A. The performance test for CH_2O shall be conducted within 90 calendar days of start-up of a replacement engine.

4. The performance test for measuring CH_2O emissions shall be conducted in accordance with EPA Reference Method 320 or 323 of 40 CFR part 63, Appendix A or Method CARB 430.

5. All tests for CH_2O emissions must meet the following requirements:

   (a) All tests shall be performed at a maximum operating rate (90% to 110% of engine capacity at site elevation);

   (b) Each performance test shall consist of at least three (3) 1-hour or longer valid test runs. Emission results shall be reported as the arithmetic average of all valid test runs and shall be in terms of the emission limits (pounds per hour and grams per horsepower-hour).

   (c) During each test run, data shall be collected on all parameters necessary to document how CH_2O emissions were measured or calculated (such as test run length, minimum sample volume, volumetric flow rate, moisture and oxygen corrections, etc.);

   (d) During each test run, the pressure drop across each oxidation catalyst and the inlet temperature to the oxidation catalyst for units E3, E4, E5, and E6 shall be measured. The baseline pressure drop shall be the arithmetic average of all valid test runs.

   (e) A source test plan shall be submitted to EPA at least forty-five (45) calendar days prior to the scheduled performance test.

   (f) The source test plan shall include and address the following elements:

      (i) Purpose of the test;
      (ii) Engines and catalysts to be tested;
      (iii) Expected engine operating rate(s) during test;
      (iv) Schedule/dates for test;
      (v) Sampling and analysis procedures (sampling locations, test methods, laboratory identification);

(vi) Quality assurance plan (calibration procedures and frequency, sample recovery and field documentation, chain of custody procedures); and

(vii) Data processing and reporting (description of data handling and quality control procedures, report content).

II.D. Monitoring Requirements [40 CFR 71.6(a)(3)(i)(A) through (C)]

1. The permittee shall measure CH_2O emissions from units E3, E4, E5, and E6 at least quarterly to demonstrate compliance with the facility-wide CH_2O emission limit in Section II.A., above. Quarterly CH_2O monitoring for units E3, E4, E5, and E6 shall commence during the first complete calendar quarter following the permittee's submittal of the initial compliance test results to EPA as required in Section II.F.1. To meet this requirement, the permittee shall measure CH_2O emissions from each engine using the performance test methods and requirements listed in Section II.C. above and a test plan approved by EPA.

   For each catalytically controlled engine, if the monitoring results for two (2) consecutive quarters show that the CH_2O emission reduction meets or exceeds 60%, then the required monitoring frequency shall change from quarterly to semi-annually. If monitoring results ever show that the CH_2O emission reduction is less than 60%, then the required monitoring frequency shall revert back to quarterly. Semi-annual monitoring may be resumed after two (2) consecutive quarters of monitoring results that demonstrate CH_2O emission reductions meet or exceed 60%.

2. The permittee shall measure CH_2O emissions from units E1 and E2 annually to demonstrate compliance with the facility-wide CH_2O emission limit in Section II.A. above. Annual CH_2O monitoring for units E1 and E2 shall commence during the first complete calendar quarter following the permittee's submittal of the initial compliance test results to EPA as required in Section II.F.1. To meet this requirement, the permittee shall measure CH_2O emissions from each engine using the performance test methods and requirements listed in Section II.C. above and a test plan approved by EPA.

3. Measurement of the engine exhaust temperature at the inlet to each catalyst shall be taken at least daily.

4. Measurement of the pressure drop across each oxidation catalyst shall be taken weekly.

II.E. Recordkeeping Requirements [40 CFR 71.6(a)(3)(ii)]

1. At the end of the first full calendar month following the CH_2O initial performance tests for units E1, E2, E3, E4, E5, and E6, facility-wide emissions of CH_2O shall be calculated from the results of the initial CH_2O performance tests for E1, E2, E3, E4, E5, and E6, and from CH_2O emissions from all other units, including insignificant emitting units, listed in Tables 1 and 2 of this permit. These emissions shall be recorded.

   Prior to and subsequent to the calculation performed above, facility-wide emissions of CH_2O shall continue to be calculated and recorded at the end of each month. The permittee shall, at the end of each month, add the CH_2O emissions for that month to the

calculated emissions for the preceding eleven (11) months and record a new twelve-month total. Formaldehyde emissions from all controlled, uncontrolled, and insignificant emitting units (Tables 1 and 2) shall be included in the calculation.

The facility-wide emissions of CH_2O shall be calculated as follows:

(a) For engines (including replacement engines) E1, E2, E3, E4, E5, and E6, emissions for the month shall be calculated by multiplying the most recent CH_2O test result for that engine, in pounds per hour, by the number of operating hours for that engine for that month. If data on operating hours are not available for that unit for that month, full-time operation of the unit for that month shall be assumed.

(b) For the remaining emitting units at the facility, except insignificant emitting units, emissions for the month for each unit shall be calculated by multiplying the CH_2O emission factor for that unit, in pounds per hour by the number of operating hours for that unit for that month. If data on operating hours are not available for that unit for that month, full-time operation of the unit shall be assumed.

(c) Emissions for insignificant emission units for each month shall be recorded as one-twelfth of the annual emission amount listed for IEUs on the most recent Form PTE of the part 71 documents submitted to EPA, unless the IEUs have changed, in which case the permittee shall provide the basis for the new IEU emission calculations with the next required report.

2. The permittee shall comply with the following recordkeeping requirements:

(a) Records shall be kept of all temperature measurements required by this permit, as well as a description of any corrective actions taken pursuant to Section II.B.5 of this permit.

(b) Records shall be kept of vendor specifications to demonstrate that the accuracy of the temperature-sensing devices at each catalyst is at least as accurate as that specified in Section II.B.3 of this permit.

(c) Records shall be kept of all pressure drop measurements required by this permit, as well as a description of any corrective actions taken pursuant to Section II.B.7. of this permit.

(d) Records shall be kept of vendor specifications for the oxidation catalyst.

(e) Records shall be kept that are sufficient to demonstrate that the fuel for the engines is pipeline-quality natural gas in all respects, with the exception of CO_2 concentration in the natural gas.

3. The permittee shall keep records of all required testing and monitoring in this permit. The records shall include the following:

(a) The date, place, and time of sampling or measurements;

(b) The date(s) analyses were performed;

(c) The company or entity that performed the analyses;

(d) The analytical techniques or methods used;

(e) The results of such analyses or measurements; and

(f) The operating conditions as existing at the time of sampling or measurement.

4. The permittee shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. These records shall be made available upon request by EPA. Support information includes all calibration and maintenance records, all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit.

II.F. <u>Reporting Requirements</u> [40 CFR 71.6(a)(3)(iii)]

1. The permittee shall submit to EPA a written report of the results of any performance tests required in this permit. This report shall be submitted within 90 calendar days of the date of testing completion.

2. The permittee shall submit to EPA, as part of the semi-annual monitoring reports required in Section IV of this permit, a report of any instances where:

(a) The temperature at the inlet to the catalyst is outside the limits established in Section II.B.4, and a description of any corrective actions taken;

(b) The pressure drop across the catalyst is outside the limits established in Section II.B.7., and a description of any corrective actions taken;

(c) The 60% CH_2O removal efficiency in Section II.B.1. is not met, and a description of any corrective actions taken; or

(d) An excursion of the facility-wide CH_2O emission limit in Section II.A.1. has occurred, and a description of any corrective actions taken.

3. If no such instances of deviations, outlined in Section II.F.2.(a) through (d) above, have been detected, then the permittee shall submit to EPA, as part of the semi-annual monitoring reports required in Section IV of this permit a statement that says so.

III. Specific Requirements for Glycol Dehydrators

Certain requirements in Section III of this permit have been created, at the permittee's request, to limit the operation and PTE of benzene from the glycol dehydrators (D1, D2, and D3) and facility-wide hazardous air pollutants. Specifically, Sections III.A, III.B, III.C, III.D, III.E.

[CAA 304(f)(4), 40 CFR 71.6(b) and 71.7(e)(1)(i)(A)(4)(i)]

III.A. Emission Limits

1. Benzene emissions from each of the glycol dehydration units, D1, D2, and D3 shall be limited to 0.9 tons during any consecutive 12 months. Compliance with the annual limits shall be determined on a rolling 12-month total.

2. Facility-wide HAP emissions shall not exceed 23 tons during any consecutive 12 months. Compliance with the annual limits shall be determined on a rolling 12-month total.

III.B. Work Practice and Operational Requirements

Operating Scenarios: The permittee shall operate at any given time only two of the three permitted glycol dehydration units (D1, D2, and D3), complying with the conditions specified under one of the following operating scenarios:

1. Operating Scenario A - Operate units D1 and D2 only, and:

    (a) Install and operate on dehydration units D1 and D2, a PESCO Flare Stack BTEX control unit capable of reducing uncontrolled benzene emissions by at least 98%.

    (b) Follow, for each dehydration unit and each BTEX controller, the manufacturer's recommended maintenance schedule and procedures to ensure optimum performance.

2. Operating Scenario B - Operate unit D3 and either unit D1 or D2 only, and:

    (a) Install and operate on dehydration unit D3, a JATCO Shell &Tube Steam to Liquid Heat Exchanger (condenser/combustor) BTEX control unit capable of reducing uncontrolled benzene emissions by at least 95%.

    (b) Install and operate on dehydration units D1 or D2, a PESCO Flare Stack BTEX control unit capable of reducing uncontrolled benzene emissions by at least 98%.

    (c) Follow, for each dehydration unit and each PESCO Flare Stack or JATCO condenser/combustor BTEX controller, the manufacturer's recommended maintenance schedule and procedures to ensure optimum performance.

III.C. <u>Monitoring Requirements</u> [40 CFR 71.6(a)(3)(i)(A) through (C)]

1. The permittee shall perform monthly testing of the inlet wet gas stream to the dehydrators operating during the one month period (extended wet gas analysis). The analysis shall include the inlet gas temperature and pressure at which the sample was taken.

2. The permittee shall determine the monthly benzene and total HAP emissions from each dehydrator operating during the one month period using GRI GlyCalc Version 4.0. The input parameter to the model shall include:

   (a) The current month's inlet wet gas analysis;

   (b) The temperature and pressure of the gas provided in the inlet wet gas analysis;

   (c) The PESCO Flare Stack and JATCO condenser/combustor BTEX control efficiency, as appropriate given the current operating scenario; and

   (d) The maximum gas throughput and glycol pump recirculation rate for each dehydrator as follows:

Dehydration Unit ID	Maximum Gas Throughput	Maximum Glycol Pump Recirculation Rate
D1, D3	18 MMscfd	8 gallons per minute
D2	30 MMscfd	13 gallons per minute

3. Benzene emissions from each dehydrator operating during the one month period shall be recorded at the end of each month. The permittee shall, at the end of each month, add the benzene emissions for that month to the calculated emissions for the preceding eleven months and record a new twelve-month total.

4. Facility-wide HAP emissions shall be determined as follows:

   (a) HAP emissions from each dehydrator operating during the one month period and all other units operating at the facility, including insignificant units, listed in Tables 1 and 2 of this permit, shall be recorded at the end of each month;

      (i) HAP emissions from the dehydrators operating during the one month period shall be determined using the GRI GlyCalc model required in Section III.C.2;
      (ii) HAP emissions from the engines shall be determined using the methods outlined in Section II.E. of this permit;
      (iii) Emissions for insignificant emission units for each month shall be recorded as one-twelfth of the annual emission amount listed for IEUs in the initial part 71 permit application documents submitted to EPA, unless the IEUs have changed, in which case the permittee shall provide the basis for the new IEU emission calculations with the next required report.

(b) The permittee shall sum the HAP emissions from each dehydrator operating during the one month period, and all other units operating at the facility, including insignificant units, listed in Tables 1 and 2 of this permit each month; and

(c) The permittee shall, at the end of each month, add the HAP emissions for that month to the calculated HAP emissions for the preceding eleven (11) months and record a new twelve month total.

III.D. Recordkeeping Requirements [40 CFR 71.6(a)(3)(ii) and 40 CFR 63.774(d)(1)]

1. The permittee shall comply with the following recordkeeping requirements:

(a) Records shall be kept of each incidence of startup and shutdown for each dehydrator. The records shall include the following:

(i) The ID of the unit being started or shut down;
(ii) The date and time of startup or shutdown;

(b) Records shall be kept of each dehydrator and its associated control equipment specifications;

(c) Records shall be kept of the equipment manufacturers' recommended maintenance schedule and procedures;

(d) Records shall be kept of the monthly GRI GlyCalc modeling analysis for each dehydrator that operated during the one month period;

(e) Records shall be kept for each dehydrator (D1, D2, D3) of the rolling 12 month totals of benzene emissions; and

(f) Records shall be kept of the rolling 12 month totals of the facility-wide HAP emissions.

2. The permittee shall keep records of all required gas analysis testing. The records shall include the following:

(a) The date, place, and time of sampling or measurements;

(b) The scenario under which the facility is operating at the time of sampling or measurements (Operating Scenario A or Operating Scenario B);

(b) The date(s) analyses were performed;

(c) The company or entity that performed the analyses;

(d) The analytical techniques or methods used;

(e) The results of such analyses or measurements; and

(f) The operating conditions as existing at the time of sampling or measurement (gas flow rate, gas temperature, and gas pressure).

3. The permittee shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. These records shall be made available upon request by EPA. Support information includes all calibration and maintenance records, all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit.

III.E. Reporting Requirements [40 CFR 71.6(a)(3)(iii)]

1. The permittee shall submit to EPA, as part of the semi-annual monitoring reports required in Section IV.B.1 of this permit, a description of each instance where the facility has changed the dehydrator operating scenario, including a summary of the records required in Section III. D.1.(a) of startup and shutdown for each dehydrator.

2. The permittee shall submit to EPA, as part of the semi-annual monitoring reports required in Section IV.B.1. of this permit, where an excursion of the benzene emission limit or facility-wide HAP emission limit has occurred, as well as a description of any corrective actions taken. If no such instances have been detected, then a statement shall be provided to say so.

IV. Facility-Wide Requirements

Conditions in this section of the permit apply to all emissions units located at the facility, including any units not specifically listed in Table 1 and Table 2 of Section I.B.

[40 CFR 71.6(a)(1)]

IV.A. General Recordkeeping Requirements [40 CFR 71.6(a)(3)(ii)]

The permittee shall comply with the following generally applicable recordkeeping requirements:

1. If the permittee determines that his or her stationary source that emits (or has the potential to emit, without federally recognized controls) one or more hazardous air pollutants is not subject to a relevant standard or other requirement established under 40 CFR part 63, the permittee shall keep a record of the applicability determination on site at the source for a period of five (5) years after the determination, or until the source changes its operations to become an affected source, whichever comes first. The record of the applicability determination shall include an analysis (or other information) that demonstrates why the permittee believes the source is unaffected (e.g., because the source is an area source).

   [40 CFR 63.10(b)(3)]

2. Records shall be kept, as required by the Off Permit Changes condition of this permit, which are made in accordance with the approved Alternative Operating Scenario condition of this permit.

IV.B. General Reporting Requirements

1. The permittee shall submit to EPA reports of any monitoring and recordkeeping required under this permit semi-annually by April 1st and October 1st of each year. The report due on April 1st shall cover the prior six-month period from July 1st through December 31st. The report due on October 1st shall cover the prior six-month period from January 1st through June 30th. All instances of deviations from permit requirements must be clearly identified in such reports. All required reports must be certified by a responsible official consistent with Section V.E. of this permit.

2. The permittee shall promptly report to the EPA Regional Office deviations from permit requirements, including those attributable to upset conditions as defined in this permit, the probable cause of such deviations and any corrective actions or preventive measures taken. "Prompt" is defined as follows:

   (a) Any definition of "prompt" or a specific timeframe for reporting deviations provided in an underlying applicable requirement as identified in this permit;

   (b) Where the underlying applicable requirement fails to address the time frame for reporting deviations, reports of deviations will be submitted based on the following schedule:

(i) For emissions of a hazardous air pollutant or a toxic air pollutant (as identified in the applicable regulation) that continue for more than an hour in excess of permit requirements, the report must be made within 24 hours of the occurrence.

(ii) For emissions of any regulated air pollutant, excluding a hazardous air pollutant or a toxic air pollutant that continues for more than two (2) hours in excess of permit requirements, the report must be made within 48 hours.

(iii) For all other deviations from permit requirements, the report shall be submitted with the semi-annual monitoring report.

3. If any of the conditions in IV.B.2.(b)(i) or (ii), are met, the source must notify EPA by telephone (1-800-227-8917) or facsimile (303-312-6064) based on the timetables listed above. *[Notification by telephone or fax must specify that this notification is a deviation report for a part 71 permit.]* A written notice, certified consistent with Section V.E. of this permit must be submitted within 10 working days of the occurrence. All deviations reported under this section must also be identified in the 6-month report required under permit Section IV.B.1.

[Explanatory note: To help part 71 permittees meet reporting responsibilities, EPA has developed a form "PDR" for prompt deviation reporting. The form may be found on EPA website at: http://www.epa.gov/air/oaqps/permits/p71forms.html]

4. "Deviation" means any situation in which an emissions unit fails to meet a permit term or condition. A deviation is not always a violation. A deviation can be determined by observation or through review of data obtained from any testing, monitoring, or recordkeeping established in accordance with §71.6(a)(3)(i) and (a)(3)(ii). For a situation lasting more than 24 hours which constitutes a deviation, each 24 hour period is considered a separate deviation. Included in the meaning of deviation are any of the following:

(a) A situation where emissions exceed an emission limitation or standard;

(b) A situation where process or emissions control device parameter values indicate that an emission limitation or standard has not been met;

(c) A situation in which observations or data collected demonstrate noncompliance with an emission limitation or standard or any work practice or operating condition required by the permit; or

(d) A situation in which an exceedance or an excursion, as defined in 40 CFR part 64 occurs.

IV.C. Permit Shield [40 CFR 71.6(f)(3)]

Nothing in this permit shall alter or affect the following:

1. The liability of a permittee for any violation of applicable requirements prior to or at the time of permit issuance;

2. The ability of the EPA to obtain information under section 114 of the CAA; or

3. The provisions of section 303 of the CAA (emergency orders), including the authority of the Administrator under that section.

IV.D. Alternative Operating Scenarios [40 CFR 71.6(a)(9) and 40 CFR 71.6(a)(3)(ii)]

1. Engine Replacement/Overhaul

   (a) Replacement of an existing permitted compressor engine with an engine of the same make, model, horsepower rating, and configured to operate in the same manner as the engine being replaced, and which satisfies all of the provisions for Off Permit Changes in this permit, including the provisions specific to engine replacement, shall be considered an allowed alternative operating scenario under this permit.

   (b) Any emission limits, requirements, control technologies, testing, or provisions that apply to engines that are replaced under this Alternative Operating Scenarios section shall also apply to the replacement engines, including initial performance testing requirements.

   (c) Replacement of a permitted compressor engine with an engine subject to 40 CFR part 60, subpart JJJJ is not allowed under this alternative operating scenario.

   (d) Replacement of a permitted compressor engine with an engine subject to 40 CFR part 63, subpart ZZZZ is not allowed under this alternative operating scenario.

   [Explanatory note: This section was included to allow for off permit replacement of engines that may have existing federally enforceable limits. For replacement engines which trigger new applicable requirements (i.e., NSPS, NESHAP, etc.), the minor permit modification process (Section V.I. of this permit) shall be utilized to maintain the permitted emission limits of the replaced engine and incorporate the new applicable requirements.]

V. Part 71 Administrative Requirements

V.A. Annual Fee Payment [40 CFR 71.6(a)(7) and 40 CFR 71.9]

1. The permittee shall pay an annual permit fee in accordance with the procedures outlined below.

[40 CFR 71.9(a)]

2. The permittee shall pay the annual permit fee each year no later than April 1st. The fee shall cover the previous calendar year.

[40 CFR 71.9(h)]

3. The fee payment shall be in United States currency and shall be paid by money order, bank draft, certified check, corporate check, or electronic funds transfer payable to the order of the U.S. Environmental Protection Agency.

[40 CFR 71.9(k)(1)]

4. The permittee shall send fee payment and a completed fee filing form to:

For regular U.S. Postal Service mail	**For non-U.S. Postal Service Express mail** (FedEx, Airborne, DHL, and UPS)
U.S. Environmental Protection Agency FOIA and Miscellaneous Payments Cincinnati Finance Center P.O. Box 979078 St. Louis, MO 63197-9000	U.S. Bank Government Lockbox 979078 U.S. EPA FOIA & Misc. Payments 1005 Convention Plaza SL-MO-C2-GL St. Louis, MO 63101

[40 CFR 71.9(k)(2)]

5. The permittee shall send an updated fee calculation worksheet form and a photocopy of each fee payment check (or other confirmation of actual fee paid) submitted annually by the same deadline as required for fee payment to the address listed in Section V.E. of this permit.

[40 CFR 71.9(h)(1)]

[Explanatory note: The fee filing form "FF" and the fee calculation worksheet form "FEE" may be found on EPA website at: http://www.epa.gov/air/oaqps/permits/p71forms.html]

6. Basis for calculating annual fee:

   (a) The annual emissions fee shall be calculated by multiplying the total tons of actual emissions of all "regulated pollutants (for fee calculation)" emitted from the source by the presumptive emissions fee (in dollars/ton) in effect at the time of calculation.

[40 CFR 71.9(c)(1)]

(i) "Actual emissions" means the actual rate of emissions in tpy of any regulated pollutant (for fee calculation) emitted from a part 71 source over the preceding calendar year. Actual emissions shall be calculated using each emissions units actual operating hours, production rates, in-place control equipment, and types of materials processed, stored, or combusted during the preceding calendar year.

[40 CFR 71.9(c)(6)]

(ii) Actual emissions shall be computed using methods required by the permit for determining compliance, such as monitoring or source testing data.

[40 CFR 71.9(h)(3)]

(iii) If actual emissions cannot be determined using the compliance methods in the permit, the permittee shall use other federally recognized procedures.

[40 CFR 71.9(e)(2)]

[Explanatory note: The presumptive fee amount is revised each calendar year to account for inflation, and it is available from EPA prior to the start of each calendar year.]

(b) The permittee shall exclude the following emissions from the calculation of fees:

(i) The amount of actual emissions of each regulated pollutant (for fee calculation) that the source emits in excess of 4,000 tpy;

[40 CFR 71.9(c)(5)(i)]

(ii) Actual emissions of any regulated pollutant (for fee calculation) already included in the fee calculation; and

[40 CFR 71.9(c)(5)(ii)]

(iii) The quantity of actual emissions (for fee calculation) of insignificant activities [defined in §71.5(c)(11)(i)] or of insignificant emissions levels from emissions units identified in the permittee's application pursuant to §71.5(c)(11)(ii).

[40 CFR 71.9(c)(5)(iii)]

7. Fee calculation worksheets shall be certified as to truth, accuracy, and completeness by a responsible official.

[40 CFR 71.9(h)(2)]

[Explanatory note: The fee calculation worksheet form already incorporates a section to help you meet this responsibility.]

8. The permittee shall retain fee calculation worksheets and other emissions-related data used to determine fee payment for 5 years following submittal of fee payment. [Emission-

related data include, for example, emissions-related forms provided by EPA and used by the permittee for fee calculation purposes, emissions-related spreadsheets, and emissions-related data, such as records of emissions monitoring data and related support information required to be kept in accordance with §71.6(a)(3)(ii).]

[40 CFR 71.9(i)]

9. Failure of the permittee to pay fees in a timely manner shall subject the permittee to assessment of penalties and interest in accordance with §71.9(l).

[40 CFR 71.9(l)]

10. When notified by EPA of underpayment of fees, the permittee shall remit full payment within 30 days of receipt of notification.

[40 CFR 71.9(j)(2)]

11. A permittee who thinks an EPA assessed fee is in error and who wishes to challenge such fee, shall provide a written explanation of the alleged error to EPA along with full payment of the EPA assessed fee.

[40 CFR 71.9(j)(3)]

V.B. <u>Annual Emissions Inventory</u> [40 CFR 71.9(h)(1)and (2)]

The permittee shall submit an annual emissions report of its actual emissions for both criteria pollutants and regulated HAPs for this facility for the preceding calendar year for fee assessment purposes. The annual emissions report shall be certified by a responsible official and shall be submitted each year to EPA by April 1st.

The annual emissions report shall be submitted to EPA at the address listed in Section V.E. of this permit.

[Explanatory note: An annual emissions report, required at the same time as the fee calculation worksheet by §71.9(h), has been incorporated into the fee calculation worksheet form as a convenience.]

V.C. <u>Compliance Requirements</u>

1. Compliance with the Permit

   (a) The permittee must comply with all conditions of this part 71 permit. Any permit noncompliance constitutes a violation of the CAA and is grounds for enforcement action; for permit termination, revocation and re-issuance, or modification; or for denial of a permit renewal application.

   [40 CFR 71.6(a)(6)(i)]

   (b) It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

   [40 CFR 71.6(a)(6)(ii)]

(c) For the purpose of submitting compliance certifications in accordance with Section V.C.2 of this permit, or establishing whether or not a person has violated or is in violation of any requirement of this permit, nothing shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether a source would have been in compliance with applicable requirements if the appropriate performance or compliance test or procedure had been performed.

[Section 113(a) and 113(e)(1) of the Act, 40 CFR 51.212, 52.12, 52.33, 60.11(g), and 61.12]

2. Compliance Schedule

(a) For applicable requirements with which the source is in compliance, the source will continue to comply with such requirements.

[40 CFR 71.5(c)(8)(iii)(A)]

(b) For applicable requirements that will become effective during the permit term, the source shall meet such requirements on a timely basis.

[40 CFR 71.5(c)(8)(iii)(B)]

3. Compliance Certifications

The permittee shall submit to EPA a certification of compliance with permit terms and conditions, including emission limitations, standards, or work practices annually each year no later than April 1st. The compliance certification shall cover the same 12-month period as the two consecutive semi-annual monitoring reports.

[Explanatory note: To help part 71 permittees meet reporting responsibilities, EPA has developed a reporting form for annual compliance certifications. The form may be found on EPA website at: http://www.epa.gov/air/oaqps/permits/p71forms.html]

The compliance certification shall be certified as to truth, accuracy, and completeness by a responsible official consistent with §71.5(d).

[40 CFR 71.6(c)(5)]

(a) The certification shall include the following:

(i) Identification of each permit term or condition that is the basis of the certification;

(ii) The identification of the method(s) or other means used for determining the compliance status of each term and condition during the certification period, and whether such methods or other means provide continuous or intermittent data. Such methods and other means shall include, at a minimum, the methods and means required in this permit. If necessary, the permittee also shall identify any other material information that must be included in the certification to comply with section 113(c)(2) of the CAA,

which prohibits knowingly making a false certification or omitting material information;

(iii) The status of compliance with each term and condition of the permit for the period covered by the certification based on the method or means designated in (ii) above. The certification shall identify each deviation and take it into account in the compliance certification;

(iv) Such other facts as the EPA may require to determine the compliance status of the source; and

(v) Whether compliance with each permit term was continuous or intermittent.

[40 CFR 71.6(c)(5)(iii)]

V.D. Duty to Provide and Supplement Information
[40 CFR 71.6(a)(6)(v), 71.5(a)(3), and 71.5(b)]

1. The permittee shall furnish to EPA, within a reasonable time, any information that EPA may request in writing to determine whether cause exists for modifying, revoking, and reissuing, or terminating the permit, or to determine compliance with the permit. Upon request, the permittee shall also furnish to the EPA copies of records that are required to be kept pursuant to the terms of the permit, including information claimed to be confidential. Information claimed to be confidential must be accompanied by a claim of confidentiality according to the provisions of 40 CFR part 2, subpart B.

[40 CFR 71.6(a)(6)(v) and 40 CFR 71.5(a)(3)]

2. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information. In addition, a permittee shall provide additional information as necessary to address any requirements that become applicable after the date a complete application is filed, but prior to release of a draft permit.

[40 CFR 71.5(b)]

V.E. Submissions [40 CFR 71.5(d), 71.6(c)(1) and 71.9(h)(2)]

1. Any document (application form, report, compliance certification, etc.) required to be submitted under this permit shall be certified by a responsible official as to truth, accuracy, and completeness. Such certifications shall state that based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

[Explanatory note: EPA has developed a reporting form "CTAC" for certifying truth, accuracy and completeness of part 71 submissions. The form may be found on EPA website at: http://www.epa.gov/air/oaqps/permits/p71forms.html]

2. Any documents required to be submitted under this permit, including reports, test data, monitoring data, notifications, compliance certifications, fee calculation worksheets, and applications for renewals and permit modifications shall be submitted to:

Part 71 Permit Contact
Air Program, 8P-AR
U.S. Environmental Protection Agency, Region 8
1595 Wynkoop Street
Denver, Colorado 80202

V.F. Severability Clause [40 CFR 71.6(a)(5)]

The provisions of this permit are severable, and in the event of any challenge to any portion of this permit, or if any portion is held invalid, the remaining permit conditions shall remain valid and in force.

V.G. Permit Actions [40 CFR 71.6(a)(6)(iii)]

This permit may be modified, revoked, reopened, and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.

V.H. Administrative Permit Amendments [40 CFR 71.7(d)]

The permittee may request the use of administrative permit amendment procedures for a permit revision that:

1. Corrects typographical errors;

2. Identifies a change in the name, address, or phone number of any person identified in the permit, or provides a similar minor administrative change at the source;

3. Requires more frequent monitoring or reporting by the permittee;

4. Allows for a change in ownership or operational control of a source where the EPA determines that no other change in the permit is necessary, provided that a written agreement containing a specific date for transfer of permit responsibility, coverage, and liability between the current and new permittee has been submitted to the EPA;

5. Incorporates into the part 71 permit the requirements from preconstruction review permits authorized under an EPA-approved program, provided that such a program meets procedural requirements substantially equivalent to the requirements of §§71.7 and 71.8 that would be applicable to the change if it were subject to review as a permit modification, and compliance requirements substantially equivalent to those contained in §71.6; or

6. Incorporates any other type of change which EPA has determined to be similar to those listed above in subparagraphs 1 through 5 above.

[Explanatory Note: If subparagraphs 1 through 5 above do not apply, please contact EPA for a determination of similarity prior to submitting your request for an administrative permit amendment under this provision.]

V.I. <u>Minor Permit Modifications</u> [40 CFR 71.7(e)(1)]

1. The permittee may request the use of minor permit modification procedures only for those modifications that:

   (a) Do not violate any applicable requirement;

   (b) Do not involve significant changes to existing monitoring, reporting, or recordkeeping requirements in the permit;

   (c) Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;

   (d) Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include:

      (i) A federally enforceable emissions cap assumed to avoid classification as a modification under any provision of title I; and
      (ii) An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the CAA;

   (e) Are not modifications under any provision of title I of the CAA; and

   (f) Are not required to be processed as a significant modification.

[40 CFR 71.7(e)(1)(i)(A)]

2. Notwithstanding the list of changes ineligible for minor permit modification procedures in paragraph 1 above, minor permit modification procedures may be used for permit modifications involving the use of economic incentives, marketable permits, emissions trading, and other similar approaches, to the extent that such minor permit modification procedures are explicitly provided for in an applicable implementation plan or in applicable requirements promulgated by EPA.

[40 CFR 71.7(e)(1)(i)(B)]

3. An application requesting the use of minor permit modification procedures shall meet the requirements of §71.5(c) and shall include the following:

   (a) A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;

   (b) The source's suggested draft permit;

   (c) Certification by a responsible official, consistent with §71.5(d), that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used; and

   (d) Completed forms for the permitting authority to use to notify affected States as required under §71.8.

   [40 CFR 71.7(e)(1)(ii)]

4. The source may make the change proposed in its minor permit modification application immediately after it files such application. After the source makes the change allowed by the preceding sentence, and until the permitting authority takes any of the actions authorized by §71.7(e)(1)(iv)(A) through (C), the source must comply with both the applicable requirements governing the change and the proposed permit terms and conditions. During this time period, the source need not comply with the existing permit terms and conditions it seeks to modify. However, if the source fails to comply with its proposed permit terms and conditions during this time period, the existing permit terms and conditions it seeks to modify may be enforced against it.

   [40 CFR 71.7(e)(1)(v)]

5. The permit shield under §71.6(f) may not extend to minor permit modifications.

   [40 CFR 71.7(e)(1)(vi)]

V.J. <u>Group Processing of Minor Permit Modifications</u> [40 CFR 71.7(e)(2)]

1. Group processing of modifications by EPA may be used only for those permit modifications:

   (a) That meet the criteria for minor permit modification procedures under Section V.I.1. of this permit; and

   (b) That collectively are below the threshold level of 10 percent of the emissions allowed by the permit for the emissions unit for which the change is requested, 20 percent of the applicable definition of major source in §71.2, or 5 tpy, whichever is least.

   [40 CFR 71.7(e)(2)(i)]

2. An application requesting the use of group processing procedures shall be submitted to EPA, shall meet the requirements of §71.5(c), and shall include the following:

(a) A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;

(b) The source's suggested draft permit;

(c) Certification by a responsible official, consistent with §71.5(d), that the proposed modification meets the criteria for use of group processing procedures and a request that such procedures be used;

(d) A list of the source's other pending applications awaiting group processing, and a determination of whether the requested modification, aggregated with these other applications, equals or exceeds the threshold set under subparagraph (a)(ii) above; and

(e) Completed forms for the permitting authority to use to notify affected States as required under §71.8.

[40 CFR 71.7(e)(2)(ii)]

3. The source may make the change proposed in its minor permit modification application immediately after it files such application. After the source makes the change allowed by the preceding sentence, and until the permitting authority takes any of the actions authorized by §71.7(e)(1)(iv)(A) through (C), the source must comply with both the applicable requirements governing the change and the proposed permit terms and conditions. During this time period, the source need not comply with the existing permit terms and conditions it seeks to modify. However, if the source fails to comply with its proposed permit terms and conditions during this time period, the existing permit terms and conditions it seeks to modify may be enforced against it.

[40 CFR 71.7(e)(2)(v)]

4. The permit shield under §71.6(f) does not extend to group processing of minor permit modifications.

[40 CFR 71.7(e)(1)(vi)]

V.K. <u>Significant Permit Modifications</u> [40 CFR 71.7(e)(3)]

1. The permittee must request the use of significant permit modification procedures for those modifications that:

(a) Do not qualify as minor permit modifications or as administrative amendments;

(b) Are significant changes in existing monitoring permit terms or conditions; or

(c) Are relaxations of reporting or recordkeeping permit terms or conditions.

[40 CFR 71.7(e)(3)(i)]

2. Nothing herein shall be construed to preclude the permittee from making changes consistent with part 71 that would render existing permit compliance terms and conditions irrelevant.

[40 CFR 71.7(e)(3)(i)]

3. Permittees must meet all requirements of part 71 for applications, public participation, and review by affected states and tribes for significant permit modifications. For the application to be determined complete, the permittee must supply all information that is required by §71.5(c) for permit issuance and renewal, but only that information that is related to the proposed change.

[40 CFR 71.7(e)(3)(ii), 71.8(d), and 71.5(a)(2)]

V.L. Reopening for Cause [40 CFR 71.7(f)]

1. The permit may be reopened and revised prior to expiration under any of the following circumstances:

   (a) Additional applicable requirements under the Act become applicable to a major part 71 source with a remaining permit term of 3 or more years. Such a reopening shall be completed not later than 18 months after promulgation of the applicable requirement. No such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions have been extended pursuant to §71.7 (c)(3);

   (b) Additional requirements (including excess emissions requirements) become applicable to an affected source under the acid rain program. Upon approval by the Administrator, excess emissions offset plans shall be deemed to be incorporated into the permit;

   (c) EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit; or

   (d) EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements.

V.M. Property Rights [40 CFR 71.6(a)(6)(iv)]

This permit does not convey any property rights of any sort, or any exclusive privilege.

V.N. Inspection and Entry [40 CFR 71.6(c)(2)]

Upon presentation of credentials and other documents as may be required by law, the permittee shall allow EPA or an authorized representative to perform the following:

1. Enter upon the permittee's premises where a part 71 source is located or emissions-related activity is conducted, or where records must be kept under the conditions of the permit;

2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;

3. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and

4. As authorized by the CAA, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

V.O. Emergency Provisions [40 CFR 71.6(g)]

1. In addition to any emergency or upset provision contained in any applicable requirement, the permittee may seek to establish that noncompliance with a technology-based emission limitation under this permit was due to an emergency. To do so, the permittee shall demonstrate the affirmative defense of emergency through properly signed, contemporaneous operating logs, or other relevant evidence that:

   (a) An emergency occurred and that the permittee can identify the cause(s) of the emergency;

   (b) The permitted facility was at the time being properly operated;

   (c) During the period of the emergency the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards, or other requirements in this permit; and

   (d) The permittee submitted notice of the emergency to EPA within 2 working days of the time when emission limitations were exceeded due to the emergency. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken. This notice fulfills the requirements for prompt notification of deviations.

2. In any enforcement proceeding, the permittee attempting to establish the occurrence of an emergency has the burden of proof.

3. An "emergency" means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under the permit due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventive maintenance, careless or improper operation, or operator error.

V.P. Transfer of Ownership or Operation [40 CFR 71.7(d)(1)(iv)]

A change in ownership or operational control of this facility may be treated as an administrative permit amendment if the EPA determines no other change in this permit is necessary and provided that a written agreement containing a specific date for transfer of permit responsibility, coverage, and liability between the current and new permittee has been submitted to EPA.

V.Q. Off Permit Changes [40 CFR 71.6(a)(12) and 40 CFR 71.6(a)(3)(ii)]

The permittee is allowed to make certain changes without a permit revision, provided that the following requirements are met, and that all records required by this section are kept on site at the source for a period of five (5) years:

1. Each change is not addressed or prohibited by this permit;

2. Each change shall meet all applicable requirements and shall not violate any existing permit term or condition;

3. Changes under this provision may not include changes subject to any requirement of 40 CFR parts 72 through 78 or modifications under any provision of title I of the CAA;

4. The permittee must provide contemporaneous written notice to EPA of each change, except for changes that qualify as insignificant activities under §71.5(c)(11). The written notice must describe each change, the date of the change, any change in emissions, pollutants emitted, and any applicable requirements that would apply as a result of the change;

5. The permit shield does not apply to changes made under this provision;

6. The permittee must keep a record describing all changes that result in emissions of any regulated air pollutant subject to any applicable requirement not otherwise regulated under this permit, and the emissions resulting from those changes; and

7. For replacement of a permitted engine with an engine of the same make, model, horsepower rating, and configured to operate in the same manner as the engine being replaced, in addition to satisfying all other provisions for off permit changes, the permittee satisfies the following provisions:

    (a) The replacement engine employs air emissions control devices, monitoring, record keeping and reporting that are equivalent to those employed by the engine being replaced;

    (b) The replacement of the existing engine does not constitute a major modification or major new source as defined in Federal PSD regulations (40 CFR 52.21);

    (c) No new applicable requirements, as defined in 40 CFR 71.2, are triggered by the replacement; and

(d) The following information is provided in a written notice to EPA, prior to installation of the replacement engine, in addition to the standard information listed above for contemporaneous written notices for off permit changes:

(i) Make, model number, serial number, horsepower rating and configuration of the existing engine and the replacement engine;

(ii) Manufacture date, commence construction date (per the definitions in 40 CFR 60.4230(a) and 63.2), and installation date, and startup date of the replacement engine at the facility;

(iii) If applicable, documentation of the cost to rebuild a replacement engine versus the cost to purchase a new engine in order to support claims that an engine is not "reconstructed," as defined in 40 CFR 60.15 and 40 CFR 63.2;

(iv) 40 CFR part 60, subpart IIII (CI Engine NSPS) non-applicability documentation as appropriate;

(v) 40 CFR part 60, subpart JJJJ (SI Engine NSPS) non-applicability documentation as appropriate;

(vi) 40 CFR part 63, subpart ZZZZ (RICE MACT) non-applicability documentation for <u>major</u> sources, as appropriate;

(vii) 40 CFR part 63, subpart ZZZZ (RICE MACT) non-applicability documentation for <u>area</u> sources, as appropriate;

(viii) Documentation to demonstrate that the replacement does not constitute a major new source or major modification, as defined in Federal PSD rules (40 CFR 52.21), as follows:

(A) If the replacement will not constitute a "physical change or change in the method of operation" as described in §52.21(b)(2)(i), an explanation of how that conclusion was reached shall be provided.

(B) If the replacement will constitute a "physical change or change in the method of operation" as described §52.21(b)(2)(i), the following information shall be provided:

(1) <u>If the existing source is a "major stationary source" as defined in §52.21(b)(1)</u>: For each "regulated NSR pollutant" as defined in §52.21(b)(50), a demonstration (including all calculations) that the replacement will not be a "major modification" as defined in §52.21(b)(2). A modification is major only if it causes a "significant emissions increase" as defined in §52.21(b)(40), and also causes a "significant net emissions increase" as defined in §§52.21(b)(3) and (b)(23).

The procedures of §52.21(a)(2)(iv) shall be used to calculate whether or not there will be a significant emissions increase. If there will be a significant emissions increase, then

calculations shall be provided to demonstrate there will not be a significant net emissions increase. These latter calculations shall include all sourcewide contemporaneous and creditable emission increases and decreases, as defined in §52.21(b)(3), summed with the PTE of the replacement unit(s).

If netting is used to demonstrate that the replacement will not constitute a "major modification," verification shall be provided that the replacement engine(s) or turbine(s) employ emission controls at least equivalent in control effectiveness to those employed by the engine(s) or turbine(s) being replaced.

PTE of replacement unit(s) shall be determined based on the definition of PTE in §52.21(b)(4). For each "regulated NSR pollutant" for which the PTE is not "significant," calculations used to reach that conclusion shall be provided.

(2) If the existing source is not a "major stationary source" as defined in §52.21(b)(1): For each "regulated NSR pollutant," a demonstration (including all calculations) that the replacement engine(s) or turbine(s), by itself, will not constitute a "major stationary source" as defined in §52.21(b)(1)(i).

8. The notice shall be kept on site and made available to EPA on request, in accordance with the general recordkeeping provision of this permit.

9. Submittal of the written notice required above shall not constitute a waiver, exemption, or shield from applicability of any applicable standard or PSD permitting requirements under 40 CFR 52.21 that would be triggered by the replacement of any one engine, or by replacement of multiple engines.

V.R. Permit Expiration and Renewal [40 CFR 71.5(a)(1)(iii), 71.5(a)(2), 71.5(c)(5), 71.6(a)(11), 71.7(b), 71.7(c)(1), and 71.7(c)(3)]

1. This permit shall expire upon the earlier occurrence of the following events:

   (a) Five (5) years elapse from the date of issuance; or

   (b) The source is issued a part 70 or part 71 permit under an EPA approved or delegated permit program.

[40 CFR 71.6(a)(11)]

2. Expiration of this permit terminates the permittee's right to operate unless a timely and complete permit renewal application has been submitted at least 6 months but not more than 18 months prior to the date of expiration of this permit.

[40 CFR 71.5(a)(1)(iii)]

3. If the permittee submits a timely and complete permit application for renewal, consistent with §71.5(a)(2), but EPA has failed to issue or deny the renewal permit, then all the terms and conditions of the permit, including any permit shield granted pursuant to §71.6(f) shall remain in effect until the renewal permit has been issued or denied.

[40 CFR 71.7(c)(3)]

4. The permittee's failure to have a part 71 permit is not a violation of this part until EPA takes final action on the permit renewal application. This protection shall cease to apply if, subsequent to the completeness determination, the permittee fails to submit any additional information identified as being needed to process the application by the deadline specified in writing by EPA.

[40 CFR 71.7(b)]

5. Renewal of this permit is subject to the same procedural requirements that apply to initial permit issuance, including those for public participation, affected State, and tribal review.

[40 CFR 71.7(c)(1)]

6. The application for renewal shall include the current permit number, description of permit revisions and off permit changes that occurred during the permit term, any applicable requirements that were promulgated and not incorporated into the permit during the permit term, and other information required by the application form.

[40 CFR 71.5(a)(2) and 71.5(c)(5)]

VI. Appendix

VI.A. Inspection Information

1. Driving directions from Ignacio, CO:

   Take highway 172 south out of the town of Ignacio for approximately 0.75 miles. Turn west onto Indian Route 110. Follow Indian Route 110 for 2.75 miles. Turn south on Jaques Road. Follow Jaques Road for 0.9 miles south curving around a hill to the east.

2. Latitude and Longitude coordinates:

   Lat. 37° 4' 40.6000" N Long -107° 41' 27.6000" W

3. Safety Considerations:

   Persons entering the site are required to wear a hard hat, safety glasses, safety toe footwear, hearing protection, and fire retardant clothing.